Department of Health & Human Services Centers for Medicare & Medicaid Services 61 Forsyth St., Suite 4T20 Atlanta, Georgia 30303-8909



October 21, 2011

Craigan Gray, MD, MBA, JD Director Division of Medical Assistance North Carolina Department of Health and Human Services 2501 Mail Service Center Raleigh, North Carolina 27699-2501

Attention: Teresa Smith

RE: North Carolina Title XIX State Plan Amendment, Transmittal #11-026

Dear Dr. Gray:

We have reviewed the proposed amendment to the North Carolina Medicaid State Plan that was submitted under transmittal number 11-026 and received in the Atlanta Regional Office on July 28, 2011.

This amendment is required due to the State administrative decision to adjust the supplemental page for independent lab and x-ray. The State Plan change is to adjust the SFY 2012 rates by a negative 2.66 percent for independent lab and 2.67 percent for x-ray to yield a 12 month 2 percent reduction in the 8 remaining months of this SFY. For SFY 2013, the rates will be adjusted such that they will equal 98 percent of the rate in effect July 1, 2011.

Based on the information provided, Medicaid State Plan Amendment 11-026 was approved on October 20, 2011. The effective date of this amendment is November 1, 2011. We are enclosing the approved form HCFA-179 and plan page.

If you have any questions or need any further assistance, please contact Yvette Moore at (404) 562-7327.

Sincerely,

/s/

Jackie Glaze
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Enclosures